HEALTHSPRING, INC.

Issued their certificate of authority on 1/19/95 Changed the name from HealthNet HMO, Inc. to HealthSpring, Inc. on 9/28/01

ADDRESS:

44 Vantage Way, Suite 300 - Nashville, TN 37228-1550 - (615) 291-7000

WEBSITE ADDRESS:

www.myhealthspring.com

Service Area by County

West Tennessee Area: Fayette, Humphreys, Shelby, Stewart, Tipton and Wayne **Middle Tennessee Area:** Bedford, Cannon, Cheatham, Coffee, Davidson, DeKalb,

Dickson, Franklin, Hickman, Lawrence, Lewis, Macon, Marshall,

Maury, Montgomery, Moore, Robertson, Rutherford,

Smith, Sumner, Trousdale, Warren, Williamson, and Wilson

East Tennessee Area: Bradley, Hamilton, Grundy, and Marion

The Independent Review Organization for this HMO is KPMG Peat Marwick.

IRO APPEALS	Number Requested	Resolved in favor of member	Resolved in favor of HMO
year ending 12/31/2005	0	0	0
year ending 12/31/2004	23	13	12
year ending 12/31/2003	22	18	4
year ending 12/31/2002	0	0	0
year ending 12/31/2001	0	0	0
year ending 12/31/2000	0	0	0
year ending 12/31/1999	0	0	0

HealthSpring Customer Service

If you have a compliant about your HealthSpring HMO, please call 1-800-881-9466 or 615-291-7022

HMO GRIEVANCE STATISTICS

NUMBER OF GRIEVANCES/INQUIRIES FOR 2005

of the grievances reported **90%** were resolved successfully of the grievances reported **10%** were resolved adversely

CATEGORY	Number of Inquiries to the HMO	written	Number of resolved grievances	adverse	Number of successful resolutions
1) availability/delivery of service		0	0	0	0
2) claim payment/amount of payment		428	427	42	385
3) contract terms and conditions		0	0	0	0
4) other	57458	5	5	0	5
TOTAL	57886	433	432	42	390

NUMBER OF GRIEVANCES/INQUIRIES FOR 2004

of the grievances reported **80%** were resolved successfully of the grievances reported **20%** were resolved adversely

CATEGORY	Number of Inquiries to the HMO	written	Number of resolved grievances	Number of adverse decisions	Number of successful resolutions
1) availability/delivery of service	3674	0	0	0	0
2) claim payment/amount of payment	5708	82	82	1	81
3) contract terms and conditions	9230	153	153	41	112

4) other		0	15	15	7	8	
,	TOTAL	18612	250	250	49	201	
		of the grievances reported 81% were resolved successfully of the grievances reported 19% were resolved adversely					
		Number of	Number of	Number of	Number of	Number of	
		Inquiries	written	resolved	adverse	successful	
CATEGORY		to the HMO	_	grievances	decisions	resolutions	
1) availability/delivery of service		1214	0	0	0	0	
2) claim payment/amount of pa	-	2292 7711	225 30	225 30	75 22	150 7	
3) contract terms and condition4) other	5	0	0	0	23 0	0	
4) other	TOTAL	11217	255	255	98	157	
	IOIAL	11217	200	200	30	107	
NUMBER OF GRIEVANCES/II	NQUIRIE	S FOR 2002	-	-		lved successfully lved adversely	
		Number of Inquiries	Number of written	Number of resolved	Number of adverse	Number of successful	
CATEGORY		to the HMO	grievances	grievances	decisions	resolutions	
1) availability/delivery of service		292	0	0	0	0	
2) claim payment/amount of pa	-	329	342	342	85	257	
3) contract terms and condition	S	3796	0	0	0	0	
4) other	T0T41	0	0	0	0	0	
	TOTAL	4417	342	342	85	257	
NUMBER OF GRIEVANCES/INQUIRIES FOR 2001		of the grievances reported 75% were resolved successfully of the grievances reported 25% were resolved adversely					
		Number of Inquiries	Number of written	Number of resolved	Number of adverse	Number of successful	
CATEGORY	_	to the HMO	_	grievances	decisions	resolutions	
1) availability/delivery of service		292	0	0	0	0	
2) claim payment/amount of pa	-	329 3796	342	342	85	257	
3) contract terms and condition4) other	5	0	0 0	0 0	0 0	0 0	
4) Other	TOTAL	4417	342	342	85	257	
NUMBER OF GRIEVANCES/INQUIRIES FOR 2000			of the grievances reported 75% were resolved successfully of the grievances reported 25% were resolved adversely				
OATEOORY		Number of Inquiries	Number of written	Number of resolved	Number of adverse	Number of successful	
CATEGORY 1) availability/delivery of convice	_	to the HMO	_	grievances	decisions	resolutions	
1) availability/delivery of service		1303	0 251	0 251	0	0	
2) claim payment/amount of pa	-	11917 514	251	251	69	182	
 contract terms and condition 	5	514	0	0	0	0	
4) other	TOTAL	0 13734	0 251	0 251	0 69	0 182	
	IOIAL	13/34	201	201	งร	102	
NUMBER OF GRIEVANCES/II	NQUIRIES	S FOR 1999	-	•		lved successfully lved adversely	
		Number of	Number of	Number of	Number of	Number of	

Inquiries

to the HMO

2,506

CATEGORY

1) availability/delivery of service

written

resolved

0

grievances grievances

adverse

decisions

0

successful

resolutions

0

2) claim payment/amount of payment	19,397	613	610	105	500
3) contract terms and conditions	26,612	78	77	44	33
4) other	4,024	8	5	3	0
TOTAL	52.539	699	692	152	533

1998 GRIEVANCES/INQUIRIES

of the grievances reported **86%** were resolved successfully of the grievances reported **14%** were resolved adversely

CATEGORY	Number of Inquiries to the HMO	Number of written grievances	Number of resolved grievances	Number of adverse decisions	Number of successful resolutions
availablity/delivery of service	340	0	0	0	0
2) claim payment/amount of payment	747	169	169	26	143
3) contract terms and conditions	1762	638	638	88	550
4) other	56	12	12	1	11
TOTAL	2905	819	819	115	704

Please Note: an adverse decision indicates a decision against a member, not that the HMO was incorrect a successful resolution means the grievance was resolved to the members satisfaction

10 YEAR MEMBER ENROLLMENT STATISTICS

	Individual	Medicare	Group	Number	TOTAL	Average
Year	Members	members	members	groups	members	Annual
ending 12/31/05	0	42,878	29,859	299	72,737	65,443
ending 12/31/04	0	29,862	32,139	390	62,001	60,573
ending 12/31/03	1	25,772	32,667	291	58,440	56,220
ending 12/31/02	0	22,964	30,421	269	53,385	50,349
ending 12/31/01	4	17,471	22,947	250	40,418	37,949
ending 12/31/00	0	12,284	22,555	222	34,839	
ending 12/31/99	0	7,712	24,298	236	32,010	31,023
ending 12/31/98	0	5,542	24,290	281	29,832	29,832
ending 12/31/97	9	2,834	24,357	318	27,200	28,936
ending 12/31/96	0	0	12,638	226	12,638	9,657
ending 12/31/95	0	0	2,046	35	2,046	1,247
ending 12/31/94	0	0	0	0	0	0